

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: PURDUE PHARMA L.P., et al.,
Debtors

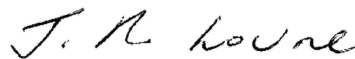
Case No.: 19-23649 (RDD)
Reporting Period May 1, 2021 to May 31, 2021

CORPORATE MONTHLY OPERATING REPORT

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1a	Yes	-
Bank Account Balances	MOR-1b	Yes	-
Consolidated Statement of Operations	MOR-2	Yes	-
Consolidated Balance Sheet	MOR-3	Yes	-
Schedule of Post-petition Taxes	MOR-4	-	Yes
Schedule of Payments to Insiders and Restructuring Professional Fees	MOR-5	Yes	-
Debtor Questionnaire	MOR-6	Yes	-

This Monthly Operating Report has been prepared solely for the purposes of complying with the monthly reporting requirements applicable in these chapter 11 cases and is in a format that the Debtors believe is acceptable to the United States Trustee. The financial information contained herein is limited in scope and covers a limited time period. Moreover, such information is preliminary and unaudited, and is not prepared in accordance with GAAP.

I declare under penalty of perjury that this report and the attached documents are true and correct to the best of my knowledge and belief.



Signature of Authorized Individual*

6/21/2021

Date

JON LOWE

Printed Name of Authorized Individual

6/21/2021

Date

*Authorized individual must be an officer, director or shareholder if debtor is a corporation.

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SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS (\$)

Case No.	Debtor Entity Name:	Net Receipts ²	Net Disbursements ¹
087-19-23648	PURDUE PHARMA INC.	\$ -	\$ 266,717
087-19-23649	PURDUE PHARMA L.P.	120,240,908	42,554,127
087-19-23650	PURDUE TRANSDERMAL TECHNOLOGIES, L.P.	-	-
087-19-23651	PURDUE PHARMA MANUFACTURING L.P.	-	-
087-19-23652	PURDUE PHARMACEUTICALS L.P.	-	7,523,274
087-19-23653	IMBRIUM THERAPEUTICS L.P.	-	1,134,619
087-19-23654	ADLON THERAPEUTICS L.P.	-	4,045,335
087-19-23655	GREENFIELD BIO VENTURES L.P.	-	85
087-19-23656	SEVEN SEAS HILL CORP.	-	-
087-19-23657	OPHIR GREEN CORP.	-	-
087-19-23658	PURDUE PHARMA OF PUERTO RICO	-	871
087-19-23659	AVRIO HEALTH L.P.	-	4,034,676
087-19-23660	PURDUE PHARMACEUTICAL PRODUCTS L.P.	-	25,519
087-19-23661	PURDUE NEUROSCIENCE COMPANY	-	-
087-19-23662	NAYATT COVE LIFESCIENCE INC.	-	410,000
087-19-23663	BUTTON LAND L.P.	-	-
087-19-23664	PAUL LAND INC.	-	-
087-19-23665	QUIDNICK LAND L.P.	-	-
087-19-23666	RHODES ASSOCIATES L.P.	-	-
087-19-23667	RHODES PHARMACEUTICALS L.P.	16,487,381	18,739,161
087-19-23668	RHODES TECHNOLOGIES	5,138,136	591,541
087-19-23669	UDF LP	-	-
087-19-23670	SVC PHARMA LP	-	4,800
087-19-23671	SVC PHARMA INC.	-	-
Totals:		\$ 141,866,425	\$ 79,330,726

Footnotes

-
- 1) The Net Disbursements exclude intercompany transactions among Debtors
2) The Net Receipts exclude intercompany transactions among Debtors

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BANK ACCOUNT BALANCES (\$)¹

Debtor	Bank	Account Number	Description	Balance as of Month End
Purdue Pharma L.P.	American Express National Bank (Restricted Cash)	xxxxxxx65041	CD	\$ 750,229
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx2400	Escrow	10,866,456
Purdue Pharma L.P.	East West Bank	xxxxxx9773	LOC/Collateral	10,008,484
Purdue Pharma L.P.	East West Bank	xxxxxx9808	LOC/Collateral	5,253,403
Purdue Pharma L.P.	East West Bank	xxxxxx9836	LOC/Collateral	1,661,417
Purdue Pharma L.P.	East West Bank	xxxxxx9136	Money Market Account	200,033,331
Purdue Pharma L.P.	Metropolitan Commercial Bank	xxxxxx4813	Money Market Account	100,296,603
Purdue Pharma L.P.	Bank of Oklahoma	xxxxx8720	Money Market Account	100,208,151
Purdue Pharma L.P.	Goldman Sachs #520	xxxx8266	Money Market Fund	53,827,441
Purdue Pharma L.P.	Goldman Sachs #506	xxxx0462	Money Market Fund	514,602,552
Purdue Pharma L.P.	East West Bank	xxxxxx9129	Operating	18,644,341
Purdue Pharma L.P.	East West Bank	xxxxxx9388	ERISA	197,925
Purdue Pharma L.P.	Bank of Oklahoma	xxxxx6017	Trust	15,282,714
Purdue Pharma L.P.	East West Bank	xxxxxx9549	Operating	350,663
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx1100	Trust	10,274,577
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx6600	Trust	59,187,565
Purdue Pharma L.P.	Metropolitan Commercial Bank (Restricted Cash)	xxxxxx4767	Trust	107,146
Purdue Pharma L.P.	Wells Fargo (Restricted Cash)	xxxx0300	Trust	10,392,919
Purdue Pharma L.P.	Bank of Oklahoma	xxxxx4018	Trust	25,106,717
Purdue Pharma Inc.	East West Bank	xxxxxx9213	Operating	1,008,324
Purdue Pharmaceuticals L.P.	Wells Fargo (Restricted Cash)	xxxx5300	Trust	125,989
Imbrium Therapeutics L.P.	East West Bank	xxxxxx9241	Operating	-
Adlon Therapeutics L.P.	East West Bank	xxxxxx9248	Operating	-
Greenfield BioVentures L.P.	East West Bank	xxxxxx9234	Operating	-
Purdue Pharma of Puerto Rico	East West Bank	xxxxxx9185	Operating	-
Avrio Health L.P.	East West Bank	xxxxxx9199	Operating	-
Purdue Neuroscience Company	East West Bank	xxxxxx9227	Operating	-
Nayatt Cove Lifescience Inc.	East West Bank	xxxxxx9220	Operating	-
Button Land L.P.	East West Bank	xxxxxx9297	Operating	-
Paul Land Inc.	East West Bank	xxxxxx9290	Operating	-
Quidnick Land L.P.	East West Bank	xxxxxx9304	Operating	-
Rhodes Technologies	East West Bank	xxxxxx9262	Operating	-
SVC Pharma LP	East West Bank	xxxxxx9276	Operating	-
SVC Pharma Inc.	East West Bank	xxxxxx9283	Operating	-
Total				\$ 1,138,186,948

Footnotes

1) The company has closed some inactive accounts. Only active accounts are presented in this schedule.

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CONSOLIDATED STATEMENT OF OPERATIONS (\$M)^{1,2}
Consolidated Results of Purdue Pharma, L.P. and all Debtors except Purdue Pharma, Inc

	Current Month	2021 Year to Date	2019 Cumulative Filing to Date ³
Net Sales	\$ 70	\$ 334	\$ 1,499
Cost of Goods Sold	(16)	(76)	(385)
Gross Profit	54	258	1,113
Sales and Promotion	(8)	(43)	(189)
Research and Development	(6)	(30)	(143)
General and Administrative	(6)	(29)	(162)
Legal Fees - Ordinary Course	(1)	(5)	(20)
Medical Affairs	(3)	(15)	(64)
Milestones & Alliances	(1)	(5)	(13)
Health Care Reform Fee	(1)	(4)	(22)
Other US	1	(1)	(1)
Incentive Bonus	(4)	(17)	(59)
Settlement Expense	-	-	(11,111)
Total Operating Expenses	(29)	(148)	(11,783)
Operating Profit	25	110	(10,669)
Legal Fees - Non-Recurring	(20)	(116)	(590)
Other ⁴	(8)	(31)	(74)
Total Non-Operating Expenses	(28)	(147)	(664)
Profit / (Loss) ⁵	\$ (3)	\$ (37)	\$ (11,333)

Footnotes

1) The numbers reflected in the Consolidated Statement of Operations are shown in MILLIONS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary and unaudited. The financial position and results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and as a result, may not reflect the consolidated financial position and results of operations of the Debtors in the future.

3) Cumulative results for 2019 are beginning September 1, 2019 as operating results for the partial month from the filing date of September 15, 2019 to September 30, 2019 are not available.

4) Includes non-cash write downs of \$62M related to Rhodes Technologies assets and a fixed asset impairment of \$8M, offset by a gain recorded on an investment of \$15M.

5) The 2020 expense included \$11.1 billion which includes the \$8.344 billion DOJ settlement that was executed by the Company, \$225.1 million for the DOJ settlement that was executed by the Shareholders of the Company, and \$1.275 billion and \$1.247 billion related to the Company's best estimate for the probable loss related to opioid-related cases against the Shareholders and Company, respectively for 2020, which is consistent with the Disclosure Statement. Refer disclosures on Liabilities Subject to Compromise that follow.

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PURDUE PHARMA, INC. STATEMENT OF OPERATIONS (\$000) ^{1,2}

	Current Month	2021 Year to Date	2019 Cumulative Filing to Date ³
Management Fee Income	\$ 29	\$ 146	611
General and Administrative Expenses	-	-	(66)
Operating Income	29	146	545
Income from Unconsolidated Associated Companies	(71)	(282)	(1,449)
Total Other Income	(71)	(282)	(1,449)
Pre-Tax Income	(42)	(136)	(904)
Income Tax Provision	11	37	230
Net Income	\$ (31)	\$ (99)	\$ (674)

Footnotes

1) The numbers reflected in the Statement of Operations are shown in THOUSANDS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary and unaudited. The financial position and results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and as a result, may not reflect the consolidated financial position and results of operations of the Debtors in the future.

3) Cumulative results for 2019 are beginning September 1, 2019 as operating results for the partial month from the filing date of September 15, 2019 to September 30, 2019 are not available.

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CONSOLIDATED BALANCE SHEET (\$M) ^{1,2}	
Consolidated Results of Purdue Pharma, L.P. and all Debtors except Purdue Pharma, Inc.	
	Book Value
ASSETS	
CURRENT ASSETS	
Cash & Cash Equivalents	\$ 993
Available For Sale Investments	13
Accounts Receivable, Net	127
Due From Associated Companies	5
Other Receivables	2
Inventories, Net	91
Prepaid Expenses & Other Current Assets	58
Restricted Cash	1
TOTAL CURRENT ASSETS	1,290
Property and Equipment, net	64
Investments at Cost	38
Restricted Cash - Long-Term	148
Intangible Assets, Net	95
Other Assets	18
TOTAL ASSETS	\$ 1,653
LIABILITIES AND EQUITY	
CURRENT LIABILITIES	
Accounts Payable	\$ 62
Accrued Expenses	286
TOTAL CURRENT LIABILITIES	348
Other Liabilities	76
Due to Associated Companies	11
Liabilities Subject to Compromise ³	13,900
TOTAL LIABILITIES	14,335
EQUITY	
Retained Earnings & Partners' Capital	(12,637)
Accumulated Other Comprehensive Loss	(45)
TOTAL EQUITY	(12,682)
TOTAL LIABILITIES AND EQUITY	\$ 1,653

Footnotes

1) The numbers reflected in the Consolidated Balance Sheet are shown in MILLIONS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.

3) Refer disclosures on Liabilities Subject to Compromise that follow.

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Liabilities Subject to Compromise and Contingencies

Various lawsuits, claims and proceedings are pending or threatened against the Company. The most significant are described below. The Company recorded \$13.9 billion and \$3.0 billion of Liabilities Subject to Compromise as at December 31, 2020 and 2019, respectively, and settlement expense of \$11.1 billion in 2020, \$0 in 2019. The 2020 expense included \$11.1 billion which includes the \$8.344 billion DOJ settlement that was executed by the Company, \$225.1 million for the DOJ settlement that was executed by the Shareholders of the Company, and \$1.275 billion and \$1.247 billion related to the Company's best estimate for the probable loss related to opioid-related cases against the Shareholders and Company, respectively for 2020, which is consistent with the Disclosure Statement.

	December 31,	
	2020	2019
	<i>(In Thousands)</i>	
Opioid Litigation Contingency Accrual		
Shareholder Settlement	\$ 4,275,000	\$3,000,000
Company Settlement	1,247,500	-
Company DOJ Settlement	8,344,000	-
Company Unsecured Federal Claims	20,000	-
Accounts Payable	10,460	8,862
Retiree Long Term Incentives	2,489	3,305
Independent Associated Companies	-	2,747
Severance	1,093	1,093
Total Liabilities Subject to Compromise	\$ 13,900,542	\$ 3,016,007

Certain amounts described in the table above are subject to the approval of the Bankruptcy Court and the ultimate amount paid to the various claimants may be less than the amounts approved by the Bankruptcy Court.

Shareholder Settlement

On September 11, 2019, the Company announced that it had reached an agreement in principle on a framework for settling the U.S. opioid-related actions brought by state attorneys general, local governments, and other entities to reach a final resolution of all outstanding claims (the "Proposed National Settlement"). Under the Proposed National Settlement structure the Company's existing shareholders would: (1) relinquish all of their equity interests in the Company and consent to the transfer of all of the Company's assets to a public benefit company or similar post-bankruptcy emergence structure for the benefit of claimants and the U.S. public; (2) divest their non-U.S. pharmaceutical companies; and (3) contribute a minimum of \$3 billion over seven years, with potential additional contributions if the proceeds from the divestiture of the non-U.S. pharmaceutical companies exceed \$3 billion.

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The Debtors filed a Plan and Disclosure Statement on March 15, 2021. The Plan significantly increases the value available to creditors compared to the Proposed National Settlement, most notably by raising the amount that the Company's existing shareholders will be required to pay in the aggregate from \$3.0 billion to \$4.5 billion. Of this sum, \$4.275 billion will be paid for the benefit of creditors in this bankruptcy case over 9 years (10 years if certain amounts are paid ahead of schedule in the first 6 years) as set forth in the Plan.

The Company's shareholders entered into a settlement agreement directly with the DOJ in November 2020. The Company's shareholders paid the DOJ \$225.1 million in November 2020, which is inclusive of interest. The settlement payment made by the Company's shareholders was recorded as a settlement expense and treated as a capital contribution.

The Company had concluded that it was probable that a loss has been incurred as a result of the Proposed National Settlement, and the Company recorded a provision in its 2018 consolidated financial statements for the initial Proposed National Settlement in accordance with ASC 450, Accounting for Contingencies, in the amount of \$3.0 billion. As no amount was better than any other in the range, this represented the low end of the range of the loss which the Company ultimately expected to be paid by the principal shareholders of the Company.

In 2020, the Company recorded an additional loss of \$1.275 billion related to the amended Proposed National Settlement for a total of \$4.275 billion, representing the amount in excess of the \$3 billion accrued in 2018; and the Company concluded that it is probable that a \$4.275 billion loss has been incurred for the Proposed National Settlement in accordance with ASC 450, Accounting for Contingencies, representing the amounts the Company's shareholders are required to pay as described in the Disclosure Statement. The corresponding liabilities associated with the settlement charge of \$4.275 billion and \$3.0 billion are included in Liabilities Subject to Compromise at December 31, 2020 and 2019, respectively.

The Company will reclassify the liability that will be paid by the Company's shareholders to equity as a capital contribution at such time as a settlement agreement is executed and the shareholders are legally bound to make the cash settlement.

Company Settlement

The Plan also incorporated a mediated agreement as to the fixed amounts that will be paid to various classes of private creditors, with residual value under the Plan being distributed through two newly established national opioid abatement trusts, the National Opioid Abatement Trust (the "NOAT") and the Tribe Trust, on account of the claims brought by state and local municipalities and counties and Native American tribes. The vast majority of the filed Proofs of Claim assert unsecured opioid litigation claims, including the claims included in the following classes under the Plan: Non-Federal Domestic Governmental Claims (Class 4); Tribe Claims (Class 5); Hospital Claims (Class 6); Third-Party Payor Claims (Class 7); Ratepayer Claims (Class 8); NAS Monitoring Claims (Class 9); NAS PI Claims (Class 10a) and Non-NAS PI Claims (Class 10b). While there are claims filed against the Company as Secured Claims (Class 1) or Other Priority Claims (Class 2) the claims have not been evaluated or deemed allowed by the Bankruptcy Court and the Company does not believe it is either probable or estimable that this will become an allowed claim, under ASC 852, Reorganizations. Further, the Company does not believe these claims are probable or estimable under ASC 450. The Federal Government Unsecured Claims (Class 3) are covered by

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part of the Company's DOJ settlement of \$8.344 billion (see below).

Because of the number of claims made against the Company and the complexity and expense of litigating the validity and amount of each of the filed claims, the Company does not expect the Company or the Bankruptcy Court to ever make a determination on whether any particular claim will ultimately be allowed, nor will there be a claims allowance process heard by the Court. Rather, the Company and the various creditor groups worked through mediators to negotiate cash distribution amounts that are proposed to be distributed on account of claims included in Classes 4-10, in the total estimated amount of approximately \$5.5225 billion. The NAS and Non-NAS PI Claims (Classes 10a and 10b) have a combined cash funding range of \$700 million to \$750 million. As no amount is better than any other in the range, in calculating the \$5.5225 billion, the Company assumed the low end of the range of the loss for this Class. The Company has concluded that it is probable that a loss has been incurred and the Company recorded a provision in its 2020 consolidated financial statements in accordance with ASC 450, Accounting for Contingencies, in the amount of \$1.2475 billion, representing the difference between the \$5.5225 billion and the \$4.275 billion recorded related to the Company's shareholders proposed cash contribution.

There are other claims that have been filed against the Company that are not included in the settlement proposals described above that in aggregate are in excess of \$600 million. These claims range from those filed by physicians, dentists, wholesalers, treatment centers and other Sackler entities. The Company either does not consider these claims to be valid, anticipates the claims will be released under the settlement proposal, or views the loss accrual as neither probable, nor estimable under ASC 450.

Federal Matters (Company DOJ Settlement)

In July 2020, the DOJ filed claims in the Chapter 11 Cases in the aggregate amount of at least \$12.5 billion relating to PPLP's past practices related to the production, sale, marketing and distribution of opioid products.

On October 21, 2020, PPLP entered into (i) a plea agreement (the "Plea Agreement") with the United States, acting through the United States Attorney's Office for the District of New Jersey (the "NJ USAO"), the United States Attorney's Office for the District of Vermont (the "VT USAO"), and the United States Department of Justice, Civil Division, Consumer Protection Branch ("DOJ Consumer Protection"), and (ii) a civil settlement agreement (the "Civil Settlement Agreement" and, together with the Plea Agreement, and including the settlements contemplated thereby and the other terms and conditions thereof, the "DOJ Resolution") with the United States, acting through the United States Department of Justice, Civil Division, Commercial Litigation Branch ("DOJ Commercial Litigation"), NJ USAO, and VT USAO and on behalf of the Office of Inspector General of the United States Department of Health and Human Services ("HHS-OIG"), the Defense Health Agency, acting on behalf of the TRICARE Program, 10 U.S.C. §§ 1071-11 10b ("TRICARE"), and the Office of Personnel Management. The DOJ Resolution fully resolves the DOJ's civil and criminal investigations into PPLP's practices related to the production, sale, marketing and distribution of opioid products from May 2007 through the present.

Under the Plea Agreement, PPLP agreed to plead guilty to three counts as detailed in the Plea Agreement: (i) a dual-object conspiracy to defraud the United States and to violate the Food, Drug, and Cosmetic Act, (ii) conspiracy to violate the Federal Anti-Kickback Statute related to Purdue's payments to healthcare providers,; and (iii) conspiracy to violate the Federal Anti-Kickback Statute related to Purdue's payments to Practice Fusion.

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The Bankruptcy Court approved the Debtors entering into the DOJ Resolution on November 18, 2020. The DOJ Resolution provides for the following:

1. a \$2 billion criminal forfeiture judgment which will be treated as an allowed super priority administrative claim in the bankruptcy (the “DOJ Forfeiture Judgment Claim”);
2. \$3.544 billion in criminal fines which will be treated as an allowed, unsubordinated, undisputed, noncontingent, liquidated general unsecured claim in the bankruptcy (the “DOJ Criminal Fine Claim”); and
3. a \$2.8 billion civil damages claim which is an allowed, unsubordinated, non-contingent, liquidated general unsecured claim (the “DOJ Civil Claim”), subject to certain rescission rights on the part of the DOJ.

While the total amount of claims under the DOJ Resolution is \$8.344 billion, only the \$2.8 billion DOJ Civil Claim was allowed by the court order approving the Debtors entering into the DOJ Resolution. The other two claims will become allowed upon the later of (i) the entry of a judgment of conviction by the United States District Court for the District of New Jersey (the “District Court”); and (ii) confirmation of the Plan. On November 24, 2020, PPLP pled guilty before the District Court to the three felony counts set forth in the Plea Agreement.

The timeline for plan confirmation and emergence from chapter 11 is expected to include, among other things: (1) approval of the pending Disclosure Statement and motion to approve the Disclosure Statement and solicitation and noticing procedures and materials (the “Disclosure Statement Motion”) and a related scheduling motion (the “Motion for Schedule and Protocols”); (2) voting on the Plan by eligible creditors; and (3) confirmation of the Plan by the Bankruptcy Court following a hearing.

Pursuant to the Plea Agreement, the sentencing hearing in the District Court is expected to take place at least 75 days following confirmation of a Plan (and at least seven days before emergence). Prior to the sentencing hearing, PPLP may withdraw from the Plea Agreement if: (1) the Bankruptcy Court rejects, or otherwise declines to confirm, a Plan that provides for the emergence of a public benefit company (or entity with a similar mission); or (2) the Office of Inspector General, U.S. Department of Health and Human Services exercises, or states an intent to exercise, any available authority to exclude PPLP’s successor public benefit company (or entity with a similar mission) from participation in federal healthcare programs. At the sentencing hearing, the District Court will decide whether to accept the Plea Agreement. If the District Court rejects the Plea Agreement, Purdue or DOJ may withdraw from the Plea Agreement. If the District Court accepts the Plea Agreement at the sentencing hearing, it will enter the \$2 billion forfeiture judgment and a judgment of conviction will be entered soon after the sentencing hearing.

Upon entry of the judgment of conviction, and so long as a plan of reorganization has been confirmed, then:

1. the \$2 billion DOJ Forfeiture Judgment will be treated as an allowed super priority administrative claim in the bankruptcy; and
2. the \$3.544 billion DOJ Criminal Fine Claim will be treated as an allowed, unsubordinated, non-contingent, liquidated general unsecured claim in the bankruptcy.

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Pursuant to the Plea Agreement, the United States has agreed to provide an offset credit (the “Forfeiture Judgment Credit”) for value distributed or otherwise conferred in settlement of claims asserted by upon the non-federal government creditors, up to \$1.775 billion (out of the \$2 billion DOJ Forfeiture Judgment), provided that the Debtors obtain confirmation of a Plan that provides that all of the Debtors’ assets are transferred to a public benefit company (or entity with a similar mission). The Company will make a \$225 million upfront payment to the United States in partial satisfaction of the DOJ Forfeiture Judgment within three business days following the entry of a judgment of conviction pursuant to the Plea Agreement.

If the Bankruptcy Court does not confirm a Plan of Reorganization in the Chapter 11 Cases that provides for the emergence from the Chapter 11 Cases of a public benefit company (or entity with a similar mission), the Company and the United States each have the option to rescind the Civil Settlement Agreement. In addition, if Purdue defaults on any material obligation under the Civil Settlement Agreement, if a Plan otherwise consistent with the Civil Settlement Agreement is not confirmed or the Chapter 11 Cases are dismissed or converted, or the Debtors’ obligations under the Civil Settlement Agreement are voided for any reason, the United States may rescind the Civil Settlement Agreement.

Pursuant to the Plea Agreement, PPLP is obligated to cooperate with the NJ USAO, the VT USAO, and DOJ Consumer Protection Branch in their ongoing investigations (and resulting prosecutions, if any) of individuals and third parties arising out of conduct relating to PPLP. The Company is complying with this obligation, and continues to respond to subpoenas, CIDs, and requests for documents and information from the federal government in connection with these investigations.

The Company recorded liabilities subject to compromise of \$8.344 billion representing the total of the DOJ claim amounts. With regard to the total accrual of \$8.344 billion, \$2.8 billion was allowed by the Court, recorded under ASC 852, with the remaining claim amount of \$5.544 billion recorded under ASC 450 based on the already signed settlement agreement with the DOJ, and as such the Company concluded that its liability under the settlement with the DOJ was probable and estimable. As noted above, the Company believes that the ultimate payment on account of the DOJ Forfeiture Judgment will be \$225 million subject to the settlement agreement provisions described above.

On May 24, 2021, in supplements to the Disclosure Statement and the Plan, the Company agreed to a payment of \$20 million in full and final satisfaction of the other Federal Government Unsecured Claims (Class 3) which represent the other Federal Agency Claims filed by HHS, VA, HIS, and the Centers for Medicare & Medicaid Services. The \$20 million was recorded under ASC 450 as a loss is deemed probable and estimable based on the agreement reflected in the Disclosure Statement and Plan.

Canadian Litigation

In addition to the civil litigation filed in the United States, the Company also faces lawsuits filed in Canada by a proposed class of Canadian provincial and territorial governmental plaintiffs related to the marketing of OxyContin. The lawsuits were filed against Purdue Canada (which is an entity owned by related parties of the Company for the ultimate benefit of the Sackler family), the Company, and other manufacturers and distributors of opioid products. On December 30, 2019, following a motion filed by the Company, the Ontario Superior Court of Justice (Commercial List) presiding over the Company’s ancillary proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, issued an order recognizing the Preliminary Injunction and staying all actions,

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proceedings and claims related to the prescription of opioids in Canada as against the Company and certain other related parties. Claims against the Company, which were filed in the amount of approximately \$67.4 billion, in respect of the Canadian governmental class action lawsuits are expected to be resolved through the Company's emergence from bankruptcy with all other claims. The claims have not been evaluated or deemed allowed by the Bankruptcy Court and the Company does not believe it is either probable or estimable that this will become an allowed claim, under ASC 852, Reorganizations. Further, the Company does not believe the claim is probable or estimable under ASC 450.

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PURDUE PHARMA, INC. BALANCE SHEET (\$000) ^{1,2}

	Book Value	
Assets		
Currents assets:		
Cash and cash equivalents	\$	1,008
Prepaid expenses		343
Due from Associated Companies		513
Total current assets		1,864
Investments		10,039
Total assets	\$	11,903
Liabilities and equity		
Current liabilities:		
Accounts payable	\$	463
Due to Associated Companies		255
Accrued Expenses		178
Total liabilities		896
Common stock		1
Additional paid-in capital		499
Retained earnings		10,572
Accumulated other comprehensive loss		(65)
Total equity		11,007
Total liabilities and equity	\$	11,903

Footnotes

1) The numbers reflected in the Consolidated Balance Sheet are shown in THOUSANDS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.

**In re: PURDUE PHARMA L.P., et al.,
Debtors**

**Case No.: 19-23649 (RDD)
Reporting Period May 1, 2021 to May 31, 2021**

SCHEDULE OF POST PETITION TAXES

Office of the U. S. Trustee

Re: Monthly Operating Report Attestation Regarding Post Petition Taxes

The Debtor, PURDUE PHARMA L.P. and its affiliate Debtors hereby submit this attestation regarding post petition taxes.

All post petition taxes, which are not subject to dispute or reconciliation, are current. There are no material disputes or reconciliations.

Signature

In re: PURDUE PHARMA L.P., et al.,
Debtors

Case No.: 19-23649 (RDD)
Reporting Period May 1, 2021 to May 31, 2021

SCHEDULE OF PAYMENTS TO INSIDERS (\$)

NAME	AMOUNT PAID DURING THE REPORTING PERIOD	CUMULATIVE ¹
Compensation		
Chomiak, Caroline	\$ -	\$ 261,662
Kesselman, Marc L ²	185,215	9,863,672
Landau, Craig J	263,034	8,956,371
Lowne, Jonathan R	86,312	3,623,737
Lundie, David R	68,720	2,791,129
Mancinelli II, Vincent F	43,488	1,613,366
Mazzi, Christian	-	439,030
Medeiros, Paul	-	1,280,482
Shamblen, Randy	35,654	1,736,877
Strassburger, Philip C	-	1,614,331
Total Compensation	682,423	32,180,657
Director Fees		
Boer, F Peter	-	1,225,000
Buckfire, Kenneth A	-	1,225,000
Cola, Michael	-	1,225,000
Collins, Michael J	-	25,000
Dubel, John	-	1,225,000
Miller, Robert S	208,333	3,958,333
Muhlhauser, Eckhard	-	25,000
Pickett, Cecil	-	1,225,000
Total Director Fees	208,333	10,133,333
T&E Reimbursements		
Boer, F Peter	-	10,907
Buckfire, Kenneth A	-	1,565
Chomiak, Caroline	-	30,408
Cola, Michael	-	1,388
Debone, Louis	-	1,245
Dubel, John	-	4,714
Kesselman, Marc L	549	54,031
Landau, Craig J	707	87,053
Lowne, Jonathan R	-	2,184
Lundie, David R	27	30,023
Mancinelli II, Vincent F	39	44,968
Mazzi, Christian	-	3,734
Medeiros, Paul	-	38,687
Miller, Robert S	-	10,315
Pickett, Cecil	-	1,298
Shamblen, Randy	-	11,738
Strassburger, Philip C	-	16,150
Total T&E Reimbursements	1,321	350,408
Housing Payments		
Kesselman, Marc L	4,673	102,774
Total Housing Payments	4,673	102,774

In re: PURDUE PHARMA L.P., et al.,
Debtors

Case No.: 19-23649 (RDD)
Reporting Period May 1, 2021 to May 31, 2021

SCHEDULE OF PAYMENTS TO INSIDERS (\$)

NAME	AMOUNT PAID DURING THE REPORTING PERIOD	CUMULATIVE ¹
<i>Indemnification Payments</i>		
Barton, Maria	-	4,208
Baker, Stuart D ³	41,779	1,731,695
Butcher, James A	-	527
Friedman, Michael	-	243,818
Landau, Craig J	257,912	4,415,538
Lundie, David R	-	50,458
Motahari, Saeed	-	24,680
Roncalli, Anthony	-	903,008
Stewart, John	-	266,225
Strassburger, Philip	-	46,935
Timney, Mark	-	1,521,223
Purdue Pharma Inc Independent Directors ⁴	20,370	1,947,673
Total Indemnification Payments	320,061	11,155,989
<i>Payments to Independent Associated Companies</i>		
Mundibiopharma Ltd	-	55,332
Mundipharma DC BV	-	345,460
Mundipharma International Ltd	-	11,053
Mundipharma International Technical Operations Ltd	-	21,782
Mundipharma IT Services Ltd	-	278,603
Mundipharma Laboratories GmbH	-	1,590,148
Mundipharma Research Ltd	-	3,613,807
Mundipharma Singapore Holdings Pte Ltd	-	60,675
One Stamford Realty L.P.	17,026	16,648,961
Pharmaceutical Research Associates Inc.	-	2,656,390
Purdue Pharma Canada	191,468	5,700,269
Purdue Pharma Technologies Inc.	-	26,350
Terramar Foundation	-	1,000
TXP Services Inc. ⁵	58,333	7,101,365
Total Payments to Independent Associated Companies	266,828	38,111,194
Total Payments to Insiders	\$ 1,483,640	\$ 92,034,355

Footnotes

1) Represents payments made since the Commencement Date.

2) Automobile allowance for Marc L. Kesselman is partially received in cash and partially through personal usage of a company-owned vehicle.

3) Indemnification payments made in June 2020 on behalf of Stuart D. Baker were inadvertently in amounts exceeding the 50% reimbursement rate approved by the Special Committee of Purdue Pharma Inc.'s Board of Directors, totaling \$12,390. Overpayments are in the process of being reversed through future invoice credits, repayment from respective law firms, and/or reimbursement from Stuart D. Baker. Currently, \$2,308.0 of this total remains outstanding.

4) These indemnification payments relate to litigation in which the following current and former Independent Directors of Purdue Pharma Inc. are all listed as defendants: Boer, F Peter; Costa, Paolo; Lewent, Judy; Pickett, Cecil; and Snyderman, Ralph.

5) Payments to TXP include a monthly charge of approximately \$58,333 for Anthony Roncalli's service as a Director for Purdue Pharma Inc.

In re: PURDUE PHARMA L.P., et al.,
Debtors

Case No.: 19-23649 (RDD)
Reporting Period May 1, 2021 to May 31, 2021

SCHEDULE OF RETAINED RESTRUCTURING PROFESSIONAL FEES (\$)

NAME	AMOUNT PAID DURING THE REPORTING PERIOD	CUMULATIVE ^{1,2,3}
<i>Estate Professionals</i>		
Davis Polk & Wardwell LLP	\$ -	\$ 112,241,807
AlixPartners, LLP	-	19,139,924
PJT Partners LP	-	3,704,386
Ernst & Young	-	1,660,161
Cornerstone Research	40,506	3,754,857
Prime Clerk LLC	4,519,368	60,809,519
Total Estate Professionals	4,559,874	201,310,653
<i>Creditor Committee Professionals</i>		
Akin Gump Strauss Hauer & Feld LLP	2,268,240	72,415,090
Bayard, P.A.	-	1,170,655
Cole Schotz P.C.	-	15,680,702
Jefferies LLC	-	3,757,733
KPMG	139,866	3,751,111
Province, Inc.	-	20,046,838
Kurtzman Carson Consultants LLC	-	652,161
Bedell Cristin	-	360,101
Total Creditor Committee Professionals	2,408,106	117,834,390
<i>Ad Hoc Committee Professionals</i>		
Kramer Levin Naftalis & Frankel LLP	317,136	9,931,922
Brown Rudnick LLP	986,427	6,323,086
Gilbert LLP	685,570	6,318,085
Otterbourg PC	180,878	2,547,060
FTI Consulting, Inc	8,892	8,140,708
Houlihan Lokey	-	2,628,909
Compass Lexecon	-	-
Coulter & Justice	-	-
Total Ad Hoc Committee Professionals	2,178,904	35,889,770
<i>Special Counsel to the Debtors</i>		
Arnold Porter & Kaye Scholer	-	2,202,829
Dechert LLP	551,649	8,175,560
Jones Day	-	2,839,815
King & Spalding LLP	-	18,894,221
Skadden, Arps, Slate, Meagher & Flom LLP	1,822,820	21,550,093
Wilmer Cutler Pickering Hale and Door LLP	-	1,440,835
Total Special Counsel Professionals	2,374,469	55,103,353
The Law Offices of Kenneth Feinberg (Mediator)	-	5,502,648
Phillips ADR (Mediator)	-	5,504,089
Bielli & Klauder, LLC (Fee Examiner)	88,000	611,375
Tom Vilsack (Court appointed monitor)	-	201,350
NextChapter LLC (New Court Appointed Monitor - Steve Bullock)	66,995	66,995
Ernst & Young (Canada), Court Appointed Information Officer	-	226,715
Total Retained Restructuring Professional Fees	\$ 11,676,348	\$ 422,251,337

Footnotes

- 1) Represents payments made since the Commencement Date
- 2) Prior periods may have been corrected to include payments erroneously omitted in earlier reports
- 3) Amounts exclude fees approved and paid via prepetition retainer balances

In re: PURDUE PHARMA L.P., et al.,
Debtors

Case No.: 19-23649 (RDD)
Reporting Period May 1, 2021 to May 31, 2021

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.	Yes	No	Comments
Have any assets been sold or transferred outside the normal course of business this reporting period?		X	
Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X	
Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X	
Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X	
Is the Debtor delinquent in paying any insurance premium payment?		X	
Have any payments been made on pre-petition liabilities this reporting period?		X	
Are any post petition receivables (accounts, notes or loans) due from related parties?	X		Purdue Pharma, LP receives royalties from affiliated entities for foreign sales of certain products.
Are any post petition payroll taxes past due?		X	
Are any post petition State or Federal income taxes past due?		X	
Are any post petition real estate taxes past due?		X	
Are any other post petition taxes past due?		X	
Have any pre-petition taxes been paid during this reporting period?		X	
Are any amounts owed to post petition creditors delinquent?		X	
Are any wage payments past due?		X	
Have any post petition loans been received by the Debtor from any party?		X	
Is the Debtor delinquent in paying any U.S. Trustee fees?		X	
Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X	
Have the owners or shareholders received any compensation outside of the normal course of business?		X	